

STATE OF NEW JERSEY
DEPARTMENT OF THE TREASURY
DIVISION OF PENSIONS AND BENEFITS

CHAPTER 368, P. L. 2005
PURCHASE OF LEAVE FOR UNION OFFICERS
PUBLIC EMPLOYEES' RETIREMENT SYSTEM

ELIGIBILITY

- ◆ Under Chapter 368, P.L. 2005, a member of the Public Employees' Retirement System (PERS) who has been granted and taken an approved unpaid leave of absence as an elected or appointed officer or representative of a local, county, or State labor organization which represents public employees, and who has not received PERS service credit for that period of time, may purchase the service credit.
 - Employees of a local employer (county, municipal) or State monthly employer may purchase approved unpaid leave of absence for union representation taken through **December 31, 2005**.
 - Employees of a State biweekly employer (paid through the State Centralized Payroll) may purchase approved unpaid leave of absence for union representation taken through **January 6, 2006**.
- ◆ A request to purchase leave of absence as a union officer or representative must be made in writing to the Supervisor of the Purchase Section of the Division of Pensions and Benefits prior to **January 12, 2007** — one year after the effective date of Chapter 368. Request letters must include your full name, PERS membership number, Social Security number, and the beginning and ending dates of the leave of absence for service as an officer or representative of an eligible labor organization. Please also be certain to sign and date the letter.
- ◆ The member must pay the **full cost** (employer and employee contributions) for the service credit. The cost of the purchase will be based on the member's age and salary at the time of the purchase request.
- ◆ Service purchased under the provisions of Chapter 368 *must be purchased through a lump-sum payment* (payroll deductions are not permitted). The purchase of partial service credit is permitted.
- ◆ The cost of purchasing leave of absence as a union officer or representative to PERS service is calculated in the same manner provided for the purchase of service credit for "U. S. Military Service Before Enrollment" in the PERS. See Fact Sheet #2, *Estimating the Cost of Purchasing Service Credit (PERS)*, for more information about calculating purchase costs.

Interested members may also use the Division's online *PERS Purchase Estimate Calculator* to *estimate* the cost of the purchase of leave of absence for union representation. A link to the calculator is found at: www.state.nj.us/treasury/pensions/purchase_service.htm. Once you are at the calculator page, enter the requested information in the form fields and select "U. S. Military Service Before Enrollment" as the purchase type. The lump-sum cost indicated will be the same as the cost for a purchase under Chapter 368.
- ◆ PERS members who are police officers or firefighters are excluded from the provisions of this law.
- ◆ All other rules and provisions for the purchase of PERS service credit apply.
- ◆ If you have additional questions regarding Chapter 368, contact the Division's Office of Client Services at (609) 292-7524, or e-mail the Division at: pensions.nj@treas.nj.us